

Local Partnership Fund Guidelines

- The General Assembly approved several amendments to the 2004-2006 biennial budget this year that promote the VDOT-locality partnership in addressing transportation issues. One of these amendments establishes a Local Partnership Fund.
- The Local Partnership Fund designates \$40 million to encourage local governments to assume responsibility for the management and administration of certain transportation projects within the locality.
- To request funds from the Local Partnership Fund, the locality must identify a qualifying project or projects, and agree to administer the selected projects. Qualifying projects are those scheduled for advertisement between July 1, 2005 and June 30, 2006 that are federally funded through the secondary or urban system allocation. Projects funded primarily with special categories of federal funds are not eligible. (i.e.,-CMAQ, RSTP, HES, RR Safety etc.)
- The budget amendment also provides that up to \$2 million of the \$40 million may be used by local governments for the start-up and staffing costs related to assuming responsibility of their improvement program. All requests therefore should include an additional 5% above the approved amount for this purpose.
- The list of projects that meet these criteria is provided on VDOT's website in alphabetical order by locality. Projects that are already locally administered are also eligible for funds from the program.

Note: The General Assembly set aside a portion of this fund for the expansion of a commuter parking lot located at the I-95/Rt 234 interchange in Prince William County.
- The maximum eligible amount for each project is the federal reimbursement amount plus the 5% staffing and start-up costs.
- The Local Partnership Fund will provide state funds to replace the federal funds allocated for a project phase initiated after July 1, 2005 (usually construction only) on the qualifying project.
- The replaced federal funds must be used to advance another qualifying federal project in the same locality. Those federal funds will need to be obligated in the same federal fiscal year to ensure VDOT meets its federal obligation. Funds from bridge projects will need to be placed on other qualifying bridge projects.
- A STIP amendment may be required; therefore all applications must also include the project proposed to receive the transferred federal funds in order to expedite the obligation of the federal funds. STIP amendments in MPO areas usually take 60-90 days.
- If a city, town or county has an eligible project and wants to participate in this program, the Board of Supervisors or City or Town Council must provide VDOT with a Local Partnership Fund application and resolution by **June 1, 2005**.
- If the total request cannot be addressed from the Local Partnership Fund, it will be assumed the balance will be funded from the secondary or urban allocation.
- All localities should work directly with the Residency, Urban Program Manager or other designated VDOT Representative while selecting the qualifying projects for the Local Partnership Fund and the replacement projects the freed up federal funds will be transferred to. Once notified a locality is interested, the local contact will need to work closely with the locality to work out transition details.
- For some projects in the early window of the eligible advertisement schedule, it may be agreed that VDOT will advertise the project to keep it on schedule with the locality assuming responsibility for construction after contract award since the goal is to not have any ad date moved as a result of this initiative. If VDOT advertises, the locality will need to agree to abide by our contract provisions.
- Each request will be acknowledged and, if approved, the locality will be notified of any contingencies that must be met to receive the funding.
- We anticipate notifying localities of selections for the first round of projects by July 1, 2005. An additional solicitation may occur if funds remain after the first round.